

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

IN RE:	§	Case No. 23-34815 (JPN)
GALLERIA 2425 Owner, LLC.	§	
Debtor	§	Chapter 11

OBJECTION TO MOTION FOR USE OF CASH COLLATERAL

TO THE HONORABLE U.S. BANKRUPTCY JUDGE:

COMES NOW 2425 WL, LLC (“Respondent”) and files this Objection to Motion for Use of Cash Collateral and would show as follows:

1. The Chapter 11 Trustee has filed a Motion for Use of Cash Collateral.
2. 2425 WL, LLC understands that the Trustee needs to keep the lights on. However, the proposed Motion for Use of Cash Collateral locks in the claims and liens of the National Bank of Kuwait. This relief should not be granted, especially at the interim relief stage.
3. The Motion provides for the Trustee to stipulate to National Bank of Kuwait’s liens and claims. The Motion does not appear to allow for a challenge period for any other party to challenge the validity and priority of NBK’s liens and claims. 2425 WL, LLC is filing an adversary proceeding seeking equitable subordination. 2425 WL, LLC objects to any provision in the cash collateral order which does not allow for a challenge period to the bank’s lien or which waives claims against the bank.
4. The Trustee has received an offer to pursue claims against the National

Bank of Kuwait on a contingent fee basis from a qualified attorney as shown by Exhibit A.

5. The Motion also requires the Trustee to initiate a sales process by April 5, 2024 resulting in an auction sale to take place no later than July 1, 2024. 2425 WL, LLC objects to using a cash collateral motion as a sub rosa plan.

6. Payment of expenses necessary to maintain the value of the property should be sufficient to provide adequate protection to the lender.

DATED: March 22, 2024.

Respectfully Submitted,

BARRON & NEWBURGER, P.C.
7320 N. MoPac Expwy., Suite 400
Austin, Texas 78731
Tel: (512) 476-9103

By: /s/ Stephen W. Sather
Stephen W. Sather
State Bar No.

**ATTORNEYS FOR
CREDITOR, 2425 WL,LLC**

CERTIFICATE OF SERVICE

I hereby certify that the foregoing Response was served on the 22nd day of March, 2024 to the parties on the attached list.

/s/ Stephen W. Sather
Stephen W. Sather

Label Matrix for local noticing
0541-4
Case 23-34815
Southern District of Texas
Houston
Fri Jan 19 14:00:30 CST 2024

2425 WL, LLC
2425 West Loop South 11th floor
Houston, TX 77027-4304

CC2 TX, LLC
c/o Howard Marc Spector
Spector & Cox, PLLC
12770 Coit Road Suite 850
Dallas, TX 75251-1364

City of Houston
Linebarger Goggan Blair & Sampson LLP
c/o Tara L. Grundemeier
PO Box 3064
Houston, TX 77253-3064

Galleria 2425 Owner, LLC
1001 West Loop South 700
Houston, TX 77027-9084

(p)HARRIS COUNTY ATTORNEY'S OFFICE
P O BOX 2928
HOUSTON TX 77252-2928

Houston Community College System
Linebarger Goggan Blair & Sampson LLP
c/o Tara L. Grundemeier
PO Box 3064
Houston, TX 77253-3064

Houston ISD
Linebarger Goggan Blair & Sampson LLP
c/o Tara L. Grundemeier
PO Box 3064
Houston, TX 77253-3064

National Bank of Kuwait, S.A.K.P., New York

4
United States Bankruptcy Court
PO Box 61010
Houston, TX 77208-1010

2425 WL, LLC
13498 Pond Springs Rd.
Austin, TX 78729-4422

ADT
PO Box 382109
Pittsburgh, PA 15251-8109

Ali Choudhry
1001 West Loop South 700
Houston, TX 77027-9084

Ash Automated Control Systems, LLC
PO Box 1113
Fulshear, TX 77441-2013

CFI Mechanical, Inc
6109 Brittmoore Rd
Houston, TX 77041-5610

CNA Insurance Co
PO Box 74007619
Chicago, IL 60674-7619

Caz Creek Lending
118 Vintage Park Blvd No. W
Houston, TX 77070-4095

Cirro Electric
PO Box 60004
Dallas, TX 75266

City of Houston
PO Box 1560
Houston, TX 77251-1560

City of Houston
c/o Tara L. Grundemeier
Linebarger Goggan Blair & Sampson LLP
PO Box 3064
Houston, TX 77253-3064

Comcast
PO Box 60533
City of Industry, CA 91716-0533

Datawatch Systems
4520 East West Highway 200
Bethesda, MD 20814-3382

Environmental Coalition Inc
PO Box 1568
Stafford, TX 77497-1568

Ferguson Facilities Supplies
PO Box 200184
San Antonio, TX 78220-0184

Firetron
PO Box 1604
Stafford, TX 77497-1604

First Insurance Funding
450 Skokie Blvd
Northbrook, IL 60062-7917

Gulfstream Legal Group
1300 Texas St
Houston, TX 77002-3509

HNB Construction, LLC
521 Woodhaven
Ingleside, TX 78362-4678

Harris County Tax Assessor
PO Box 4622
Houston, TX 77210-4622

Houston Community College System
c/o Tara L. Grundemeier
Linebarger Goggan Blair & Sampson LLP
PO Box 3064
Houston, TX 77253-3064

Houston ISD c/o Tara L. Grundemeier Linebarger Goggan Blair & Sampson LLP PO Box 3064 Houston, TX 77253-3064	Kings 111 Emergency Communications 751 Canyon Drive, Suite 100 Coppell, TX 75019-3857	Lexitas PO Box Box 734298 Dept 2012 Dallas, TX 75373-4298
Logix Fiber Networks PO Box 734120 Dallas, TX 75373-4120	MacGeorge Law Firm 2921 E 17th St Bldg D Suite 6 Austin, TX 78702-1572	Mueller Water Treatment 1500 Sherwood Forest Dr. Houston, TX 77043-3899
National Bank of Kuwait 299 Park Ave. 17th Floor New York, NY 10171-0023	Nationwide Security 2425 W Loop S 300 Houston, TX 77027-4205	Nichamoff Law Firm 2444 Times Blvd 270 Houston, TX 77005-3253
TKE 3100 Interstate North Cir SE 500 Atlanta, GA 30339-2296	US Trustee Office of the US Trustee 515 Rusk Ave Ste 3516 Houston, TX 77002-2604	Waste Management PO Box 660345 Dallas, TX 75266-0345
Zindler Cleaning Service Co 2450 Fondren 113 Houston, TX 77063-2314	James Q. Pope The Pope Law Firm 6161 Savoy Drive Ste 1125 Houston, TX 77036-3343	Reese W Baker Baker & Associates 950 Echo Lane Suite 300 Houston, TX 77024-2824
Rodney Drinnon McCathern Houston 2000 W Loop S Ste. 1850 Houston, TX 77027-3744		

The preferred mailing address (p) above has been substituted for the following entity/entities as so specified by said entity/entities in a Notice of Address filed pursuant to 11 U.S.C. 342(f) and Fed.R.Bank.P. 2002 (g) (4).

Harris County, ATTN: Property Tax Division
Harris County Attorney's Office
P.O. Box 2928
Houston, TX 77252-2928 United States

The following recipients may be/have been bypassed for notice due to an undeliverable (u) or duplicate (d) address.

(u)2425 West Loop, LLC	End of Label Matrix	
	Mailable recipients	45
	Bypassed recipients	1
	Total	46



A Professional Corporation

Jerry C. Alexander
214-742-2121 Ext. 3579
alexanderj@passmanjones.com
Fax: 214-748-7949

ATTORNEYS AT LAW
2500 Renaissance Tower
1201 Elm Street
Dallas, Texas 75270-2599
www.passmanjones.com

February 21, 2024

Mr. Ali Choudhri:
JETALL COMPANIES
2425 West Loop South, Suite 1100
Houston, TX 77027

Via Email [-Ali@Jetallcapital.com](mailto:Ali@Jetallcapital.com)

Re: Lender Liability Litigation Against the Bank of Kuwait

Dear Mr. Choudhri:

This is formal written confirmation of what was said in the call on Tuesday, February 20, 2024, regarding my analysis of the liability of the Bank of Kuwait to Galleria 2425 and the actions and practices it took in connection with that lending.

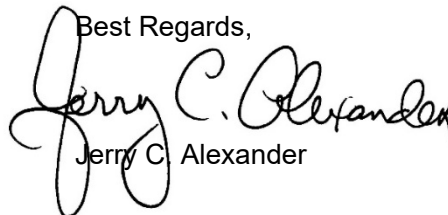
I conducted a review of the applicable documents and an analysis of the facts and circumstances, and have had discussions with people with personal knowledge of the overall situation, and have concluded that it is a very strong case. Consequently, I have convinced this firm to take it on a one-third contingent fee basis, which means it will not cost the Bankruptcy Estate anything and has a tremendous potential upside.

Previously I sent to you, the Trustee, and the Trustee's counsel materials which demonstrate my "bonafides" in lender liability scenarios. One thing that has been missing or underplayed, I believe, is the fact that the Bank of Kuwait chose the law of New York to apply to this situation, which implies a duty of good faith and fair dealing on every contract, and on actions taken after the contract. New York interpretation of good faith and fair dealing absolutely prohibits one party from preventing the performance of another party under the contract, and then claiming breach by the party whose performance was prevented.

That is exactly what the Bank of Kuwait has done, **repeatedly**, in this so-called banking relationship between it and Galleria 2425.

The cause of action against the Bank of Kuwait should not be underestimated, nor settled, nor given away in any kind of package arrangement with the Bank of Kuwait, unless the Bank of Kuwait is prepared to make substantial payments or concessions to Galleria 2425 so its owners are reasonably compensated.

Thank you for your attention to this matter, and I hope I will be allowed to proceed with litigation against the Bank of Kuwait.

Best Regards,

Jerry C. Alexander

JCA/sdc